LOL-HECO-IR-8

Ref: "all 200 MW of DG would be required to prevent the Pukele customers from being blacked out" (HECO Application, pages 34-35)

Question(s):

a. During the 3Point presentation, did many community members express the idea that they were satisfied with the current level of reliability?

b. Why would the amount of DG needed include the DG for customers who do not want higher levels of reliability?

HECO Response:

a. During the community meetings of 2003, there were some meeting attendees who expressed satisfaction with the current level of reliability.

b. In theory, if a significant portion of the existing electrical load served by Pukele Substation could somehow be served by DG and be totally independent of the existing power grid, then there would not be a need to put in all 200 MW of DG. Because it is highly speculative whether a significant amount of customers could be totally independent of the grid and also be able to overcome some of the other practical issues associated with DG, as noted on page 34 of the Application, it is prudent to assume that the DG alternative would have to support the entire Pukele Substation service area. Satisfaction with the current level of reliability is a matter of customer opinion. Customers are served by various distribution circuits, which are fed by the 46kV substations served by the Pukele Substation. Transmission Planning is done on a system-wide basis, evaluates DG on a geographic basis for the problems identified in the study and does not plan the system based on the level of reliability an individual customer may be willing to accept. Even in a hypothetical situation where a survey was done to determine which customers are satisfied with the reliability of service, these

customers may be served by circuits which serve critical loads or large hotels and

commercial centers, and would benefit from the added reliability provided by the proposed

Kamoku 46kV Underground Alternative – Expanded project.